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The Honorable Orrin Hatch  
Chairman  
104 Hart Office Building  
Washington, D.C. 20510

The Honorable Ron Wyden  
Ranking Member  
221 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Johnny Isakson  
Co-Chair, Chronic Care Working Group  
131 Russell Senate Office Building  
Washington, D.C. 20510

The Honorable Mark Warner  
Co-Chair, Chronic Care Working Group  
317 Hart Senate Office Building  
Washington, D.C. 20510

Re: Bipartisan Chronic Care Working Group Policy Options Document

Dear Chairman Hatch, Ranking Member Wyden, Senator Isakson, and Senator Warner:

The Smarter Health Care Coalition appreciates the opportunity to provide comments on the Bipartisan Chronic Care Working Group Policy Options Document released in December of 2015. We represent a broad-based and diverse group of health care innovators, including health plans, life science companies, employer groups, provider-related organizations, trade associations, academia centers and professors, foundations, and consumer groups. Our goal is to leverage our combined perspectives and experiences to achieve smarter health care that improves the patient experience, particularly through integrating benefit design innovations and consumer/patient engagement within broader delivery system reform in order to better align coverage, quality, and value-based payment goals. We hope our combined perspectives will serve to advance the working group's objectives.

We support the efforts of the Working Group and believe the document reflects work and analysis that will further the goal of improving care for the millions of vulnerable Medicare beneficiaries managing multiple chronic conditions. We agree that improving care coordination and disease management as well as increasing quality and access to care while maintaining affordability are all critical in achieving this goal. Several of the proposed policies align with the Coalition's overarching goals, including (1) emphasizing access to behavioral health services for chronically ill beneficiaries; (2) allowing Medicare Advantage (MA) plans to tailor benefits specifically to chronically ill enrollees; (3) giving MA plans and ACOs greater flexibility to deliver important non-health services; and (4) providing additional tools to accountable care organizations (ACOs) for managing care and encouraging high-value care.

The comments and recommendations below reflect the experiences and opinions of the Smarter Health Care Coalition's diverse group of health care leaders.

### ***Addressing the need for behavioral health among chronically ill beneficiaries***

We support the development of policies that would improve the integration of care for individuals with both a chronic condition and a behavioral health disorder. Behavioral health is not only a serious challenge for many Americans; it also coincides with and complicates other chronic conditions, exacerbating challenges for both individuals and the health system overall.

The importance and impact of behavioral health services should be emphasized when considering ways to increase access to community-based services and integrate care for individuals with chronic conditions. We recommend leveraging consumer engagement tools with value based insurance design principles to improve beneficiary access to behavioral health services.

The Smarter Health Care Coalition also supports the consideration that the GAO conduct a study on the integration of behavioral health and primary care in private sector ACOS, public sector ACOs, ACOs participating in the MSSP, and private and public sector medical homes.

### ***Adapting benefits to meet the needs of chronically ill Medicare Advantage enrollees***

We support the proposal to give MA plans greater flexibility to establish a benefit structure that is tailored to the individual enrollee based on the individual's chronic conditions. Any tailored benefit designs should be evidence-based and shown to improve health outcomes for people with chronic conditions. We particularly support the value based insurance design concept to allow MA plans to offer a "reduction in cost sharing for items/services that treat the chronic condition or prevent the progression of the chronic disease."

The working group requests comments on whether this flexibility should be provided to all plans or a subset of plans. We believe that all MA plans should be permitted this flexibility, and note that MedPAC has also recommended extending this authority to all MA plans.<sup>1</sup> Extending this flexibility to all MA plans must be done in a thoughtful way that ensures beneficiaries fully understand plan benefits. CMMI is in the process of implementing a demonstration allowing for MA plans in seven states to implement plans that incorporate reductions in cost-sharing for chronic condition services. We believe the experience and best practices from these demonstrations should inform how best to provide this flexibility across all MA plans.

### ***Expanding supplemental benefits to meet the needs of chronically ill Medicare Advantage enrollees***

We support the working group's consideration to allow MA plans to offer a wider array of supplemental benefits. These benefits should focus on helping better meet beneficiary needs that improve overall health and support the beneficiaries who are most in need. More specifically, we believe MA plans should have additional flexibility to invest in non-medical long-term services and supports (LTSS), social services, and adherence support services. Currently, LTSS are not a covered benefit under Medicare. MA plans have some ability to provide certain LTSS, such as home safety assessments or nutritional counseling, as supplemental benefits. However, plans are limited in their ability to provide other key non-medical LTSS as supplemental benefits. There may be opportunities for CMS to modernize its definitions and reviews

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<sup>1</sup> See testimony of Mark E. Miller, Executive Director of MedPAC, to the Senate Finance Committee, May 14, 2015, available at [http://medpac.gov/documents/congressional-testimony/testimony-improving-care-for-beneficiaries-with-chronic-conditions-\(senate-finance\).pdf?sfvrsn=0](http://medpac.gov/documents/congressional-testimony/testimony-improving-care-for-beneficiaries-with-chronic-conditions-(senate-finance).pdf?sfvrsn=0). Note that, currently, Chronic Condition Special Needs Plans (C-SNPs) are allowed to tailor benefits in ways that waive or eliminate copays on certain medications, provide additional transportation to individuals with more frequent medical appointments, or furnish supplemental health benefits such as supplies or equipment that would not otherwise be covered by Medicare for enrollees with particular chronic conditions. As such, if this policy were implemented, changes to C-SNPs would not necessarily need to be made.

around supplemental benefits to take into account a changing understanding of the role that various types of LTSS can play in supporting health overall.

***Maintaining ACO flexibility to provide supplemental services***

We support the proposed policy to clarify that ACOs participating in the MSSP may furnish social services or transportation services for which payment would not traditionally be made under fee-for-service Medicare. As noted in the Policy Options Paper, there is growing evidence that the provision of such services can improve health and health care while lowering costs.

***Eliminating barriers to care coordination under accountable care organizations***

We support a policy aimed at eliminating barriers to care coordination by ACOs by allowing ACOs in two-sided risk models the flexibility to waive beneficiary cost sharing for services that treat a chronic condition or prevent the progression of a chronic disease. We further recommend allowing ACOs in two-sided risk models to furnish non-covered long-term services and supports and social services for their assigned ACO beneficiaries.

More broadly, we recommend applying smarter health care and value based insurance design principles to ACOs. Currently, Medicare ACOs, such as those under the Medicare Shared Savings Program (MSSP) and the Pioneer ACO program, have little ability to encourage beneficiaries to seek care within the ACO's network. This inhibits the ACO's ability to manage or encourage coordinated, high-value care while preserving beneficiaries' freedom of choice of provider. Providing flexibility for ACOs to reduce or eliminate cost sharing when beneficiaries see providers within the ACO provides a potential mechanism to encourage beneficiaries to stay within their network and thus enhance ability for care coordination. Such a system might work most effectively in ACO models where beneficiaries are prospectively assigned to an ACO, or who have the option to voluntarily align with the ACO. However, there may also be ways for ACOs in which beneficiaries are retrospectively assigned to implement such a program.

The Smarter Health Care Coalition is ready to offer assistance to advance the working group's efforts to improve the health outcomes of Medicare beneficiaries with chronic conditions. Please do not hesitate to contact us.

Sincerely,



Gary Bacher



Tom Koutsoumpas

Smarter**HealthCare**Coalition